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EXAMINER

CHUNG, JULIUS J

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PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No. 10/825,960	Applicant(s) VANFLEET ET AL.	
	Examiner JULIUS J. CHUNG	Art Unit 4182	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 16 April 2004.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-33 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-33 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☒ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 16 April 2004 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date <u>11/25/2005</u> . | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Information Disclosure Statement

1. The information disclosure statement (IDS) submitted on 11/25/2005 has been received and placed of record on file.

Drawings

2. The drawings were received on 4/16/2004. These drawings are acceptable.

Specification

3. The disclosure is objected to because of the following informalities: In Para [0028], the "transaction system" refers to item 236 in figure 2. This reference should be directed toward item 220 instead as it is depicted in the drawing.

Appropriate correction is required. The specification should likewise be reviewed for any further discrepancies that may have been missed by the examiner.

Claim Objections

4. Claim 18 is objected to because of the following informalities: The claim makes use of the acronym MICR without supplying an equivalent definition. Although these acronyms may include meanings understood at the time, they are subject to change and may later impact the clarity of the claim. Appropriate correction is required.

Claim Rejections - 35 USC § 103

5. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

6. **Claims 1, 4-5, 8, 19, and 24-25 are rejected under 35 U.S.C. 103(a) as being unpatentable over Chen et al. (US 5,590,197) in view of Pinizzotto (US 2003/0191715).**

As to claim 1, Chen et al. teaches: A computerized method comprising: receiving (**"The authorization ticket is then forwarded to the account servicer, at which point the account servicer uses the private key associated with the selected public key in order to decrypt the file and verify the status of the account," col.6 lines 51-54**), at a payment network, a first information packet from a merchant, the first information packet including a cost of a financial transaction between the merchant and a customer (**"When the merchant receives the authorization ticket, the merchant then embeds or associates it with whatever information the merchant needs to provide the account servicer," col.6 lines 48-50**) and a card account identifier (**"The customer then makes an order and the merchant requests an authorization ticket in the form of payment or account information encrypted by one of the public keys in the public key file," col.6 lines 33-36**) presented by the

customer as a payment for the financial transaction; using the card account identifier to determine, with the payment network, account information that identifies a financial account maintained by the customer at a financial institution and authorization information that allows debit access to the identified financial account (“... **including ... account information, a user PIN number, a user ID, MAC, and any other information which might be needed during the payment and authentication process. This information is associated with a public key file preferably containing a plurality of public keys associated with a single root key, and key identifiers. The entire wallet is then provided to the customer, in any form which enables the customer to utilize the wallet, for example as a software package for use on the customer's portable computer, or on a smart card which can be carried around by the customer and used at kiosks provided with smart card readers,” col.6 lines 12-21**); generating, at the payment network, a request to perform a debit transaction from the identified financial account for the cost of the financial transaction (“**In addition, it will be appreciated by those skilled in the art that the cyber wallet can be used for a variety of transactions, including both credit and debit type transactions, although for convenience the term "credit" will be used to describe all such transactions,” col. 1 lines 17-21 and “If the transaction is approved, the account servicer then sends an approval message back to the merchant, together with decrypted information necessary for the merchant's records,” col. 6 lines 54-57**).

What Chen et al. fails to teach is: A private label card account identifier presented by the customer as a payment for the financial transaction being a form of payment accepted only by one of the merchant and a merchant consortium that includes the merchant; using the private label card account identifier; and generating, at the payment network, a second information packet comprising the transaction information, the account information, and the authorization information; and transmitting from the payment network, the second information packet to the financial institution with a request to perform a debit transaction from the identified financial account for the cost of the financial transaction.

Pinizzotto teaches: A private label card (**"It should be understood that the purchase card can be a credit card, private label card, debit card, gift card or any other card or device which provides the purchaser account identification," page 4 paragraph 58**) account identifier presented by the customer as a payment for the financial transaction being a form of payment accepted only by one of the merchant and a merchant consortium that includes the merchant using the private label card account identifier (**"The computer then sends out the ordering information on the Internet as indicated at Fig.2 item 26; which ordering information includes the encrypted purchaser account information data (PAID) and encrypted purchaser personal identification data (PPID). This ordering information is received at the processing center's processor," page 2 paragraph 33**); and generating, at the payment network, a second information packet comprising the transaction information, the account information, and the authorization information; and transmitting from the payment

network, the second information packet to the financial institution with a request to perform a debit transaction from the identified financial account for the cost of the financial transaction (**"The processor at the center, as indicated at Fig 2 item 31, makes an appropriate inquiry of a bank or credit processing station concerning the availability of the funds in the bank for a debit card or check or the credit available for a credit card. The processor then receives confirmation from the bank or the credit station,"** page 2 paragraph 34).

It would have thus been obvious to one of ordinary skill in the art to combine the private label card and separate processing center as disclosed in Pinizzotto to the computerized method for debit transactions in Chen et al. to achieve the claimed invention. The motivation for the combination would be to improve the security of customer information for a wide variety of accounts by organizing the purchase account at a central processing center. The private label card as taught by Pinizzotto would also be an obvious variant of any credit or debit card disclosed in Chen et al. and a valid candidate for this computerized method.

As to claim 4, Chen et al. in view of Pinizzotto teaches: The method of claim 1 including the private label card account identifier.

Chen et al. further teaches: the first information packet further includes a credential received from the customer (**"As noted above, the authenticity of the information can be made fully verifiable by using the method described in copending U.S. patent application Ser. No. 08/285,134, in which the information is**

associated with a digital signature which may be decrypted by anyone in possession of a public key,” col. 5 lines 63-67 and col. 6 line 1), the method further comprising determining, with the payment network, that the credential is associated with the card account identifier (“If the card has been inserted into a card reader, or if the software has been provided with provision for accepting a PIN number, entry of the PIN number can be required to proceed with the transaction at this time to unlock the information stored in the wallet or to verify the user identity as part of the credit card verification, and in addition the authenticity of information in the wallet can be verified using the techniques described in copending U.S. patent application Ser. No. 08/285,134,” col. 6 lines 38-47).

As to claim 5, Chen et al. teaches: the account information comprises a primary account number (“In a conventional point-of-sale credit transaction, the purchaser physically presents a credit card to a merchant who verifies the authentication information by comparing a signature on the card with the cardholder's signature, and reads the account number from the card so that it can be transmitted to the credit card servicer for authorization,” col.1 lines 23-28 and so this account number is being identified as part of the inherent information required for carrying out the purchase transaction) for the identified financial account; and the authorization information comprises a personal identification number assigned to the customer for accessing the identified financial account (“...including...account information, a user PIN number, a user ID, MAC, and any other information which

might be needed during the payment and authentication process,” col.6 lines 12-21).

What Chen et al. fails to teach is: the account information explicitly contains an account number.

Pinizzotto teaches: the account information explicitly contains an account number (**“Thus credit card number, debit card number, account number, purchaser identification number and signature are retained secure at the processing center,” Para [0011]**).

It would have thus been obvious to one of ordinary skill in the art to include an account number as disclosed in Pinizzotto to the account information in Chen et al. to achieve the claimed invention. The motivation for the combination would be to aid in the identification of the financial account to be debited.

As to claim 8, Chen et al. in view of Pinizzotto teaches: the method of carrying out a debit transaction as in claim 1.

Pinizzotto further teaches: the second information packet is transmitted directly to the financial institution from the payment network (**“At the processing center, the debit or credit payment capability is confirmed in a standard fashion with appropriate bank...When confirmation is obtained, the processing center prepares appropriate information for a merchant including details of the purchase order and a report verifying customer payment capability,” Para [0011]** whereas the processing center is communicating with the bank).

It would have thus been obvious to one of ordinary skill in the art to communicate with the financial institution as disclosed in Pinizzotto to the method for carrying out debit transactions in Chen et al. in view of Pinizzotto to achieve the claimed invention. The motivation for the combination would be to have a way of conveying the information to any stakeholders needed to carry out the transaction.

As to claim 19, Chen et al. in view of Pinizzotto teaches: A payment network comprising: a communications device; a processor; a storage device; and a memory coupled with the processor, the memory comprising a computer-readable medium having a computer-readable program embodied therein for directing operation of the payment network, the computer-readable program including: instructions for receiving, with the communications device, a first information packet from a merchant, the first information packet including a cost of a financial transaction between the merchant and a customer and a private label card account identifier presented by the customer as a payment for the financial transaction, the private label card being a form of payment accepted only by one of the merchant or and a merchant consortium that includes the merchant; instructions for determining from the private label card account identifier, with the processor, account information that identifies a financial account maintained by the customer at a financial institution and authorization information that allows debit access to the identified financial account; instructions for generating, with the processor, a second information packet comprising the transaction information, the account information, and the authorization information; and instructions for transmitting, with the

communications device, the second information packet to the financial institution with a request to perform a debit transaction from the identified financial account for the cost of the financial transaction **(see rejection for claim 1)**.

As to claim 24, Chen et al. in view of Pinizzotto teaches: The payment network of claim 19 wherein the instructions for transmitting the second information packet comprise instructions for transmitting the second information packet directly to the financial institution from the communications device **(see rejection for claim 8)**.

As to claim 25, Chen et al. in view of Pinizzotto teaches: The payment network of claim 19 wherein: the account information comprises a primary account number ("PAN") for the identified financial account; and the authorization information comprises a personal identification number ("PIN") assigned to the customer for accessing the identified financial account **(see rejection for claim 5)**.

7. Claims 2-3, 6, and 20-22 are rejected under 35 U.S.C. 103(a) as being unpatentable over Chen et al. (US 5,590,197) in view of Pinizzotto (US 2003/0191715) and further in view of Goeller et al. (US 2002/0178112).

As to claim 2, Chen et al. in view of Pinizzotto teaches: The method of carrying out a purchase transaction as in claim 1 and transmitting, from the payment network, an

authorization to the merchant indicating approval or denial of the financial transaction
(“As a result, a customer in possession of the wallet can easily make purchases from any merchant on the Internet or WorldWide Web by simply causing the a public key encrypted authorization ticket to be transmitted to the merchant, the merchant then forwarding the ticket to the account servicer for decryption and approval of the transaction based on the status of the customer’s account and the amount of the transaction supplied to the account servicer with the ticket,” col. 4 lines 14-22).

Chen et al. does not teach: receiving, at the payment network, a response from the financial institution indicating approval or denial of the debit transaction; and transmitting, from the payment network, an authorization code to the merchant in accordance with the response received from a financial institution separate from the payment network.

Pinizzotto further teaches: receiving, at the payment network, a response from the financial institution indicating approval or denial of the debit transaction; and transmitting, from the payment network, an authorization to the merchant in accordance with the response received from a financial institution separate from the payment network. **(“After the processor receives the bank or credit confirmation, the processor generates a purchase verification to the customer, as indicated at Fig. 2 item 32, which is sent over the Internet to the customer. The processor also generates a purchase order and report to the merchant, as indicated at Fig. 2 item 34, which is sent to the designated merchant station. The report to the merchant**

provides the merchant with two essential types of information. The first is an identification of the customer and of the item or service being ordered. The second is verification of a bank payment to cover a debit card or check or verification of credit availability to cover a credit card,” page 2 paragraph 35).

Furthermore, Goeller et al. teaches: an authorization code **(Table 2 Under Processing code lists several codes that may be used to identify status of processing an electronic check transaction such as Guarantee with Conversion, Verification with Conversion, and Conversion only).**

It would have thus been obvious to one of ordinary skill in the art to apply both the approval and denial interaction between the processing center and the financial institution as disclosed in Pinizzotto and the authorization code disclosed in Goeller et al. to the transaction processing system in Chen et al. to achieve the claimed invention. The motivation for the combination would be to the flexibility to interact with multiple financial institutions by separating the processing from the issuer of account and the added automation afforded by using a transaction code to convey the status of the transaction.

As to claim 3, Chen et al. in view of Pinizzotto teaches: The method of carrying out a purchase transaction as in claim 2.

What Chen et al. in view of Pinizzotto fails to teach is: The method of claim 2, further comprising: performing, with the payment network, a risk analysis of the financial transaction; and determining, with the payment network, whether to provide a guarantee

of the financial transaction to the merchant based on the risk analysis, wherein the authorization code further reflects whether the guarantee is provided.

Goeller et al. teaches: performing, with the payment network, a risk analysis of the financial transaction; and determining, with the payment network, whether to provide a guarantee of the financial transaction to the merchant based on the risk analysis (**"The guarantor makes an accept or decline decision, based on access to the DDA account and/or to a third-party risk management database," Para [0041]**), wherein the authorization code further reflects whether the guarantee is provided (**Table 2 Under Processing code lists several codes that may be used to identify status of processing an electronic check transaction such as Guarantee with Conversion, Verification with Conversion, and Conversion only**).

It would have thus been obvious to one of ordinary skill in the art to apply the method of providing a guarantee as disclosed in Goeller et al. to the transaction processing method in Chen et al. in view of Pinizzotto to achieve the claimed invention. The motivation for the combination would be to manage and redistribute the risk involved with making a debit transaction.

As to claim 6, Chen et al. in view of Pinizzotto teaches: The method of carrying out a purchase transaction as in claim 1.

What Chen et al. in view of Pinizzotto fails to teach is: the second information packet is transmitted to the financial institution over an automated clearing house ("ACH") network.

Goeller et al. teaches: the second information packet is transmitted to the financial institution over an automated clearing house ("ACH") network (**"U.S. Pat. No. 5,832,463 discloses a system for the real-time conversion of checks issued by a participating bank or through an Automated Clearing House (ACH) transfer,"** Para [0007] **whereas ACH is established as a method of information transfer to the financial institution in the processing of transactions).**

It would have thus been obvious to one of ordinary skill in the art to apply the method of using an automated clearing house as disclosed in Goeller et al. to the transaction processing method in Chen et al. in view of Pinizzotto to achieve the claimed invention. The motivation for the combination would be to use a known and useful method for the transmittal of transaction information to the transaction processing method described to establish a predictable result of reliable financial information transfer.

As to claim 20, Chen et al in view of Pinizzotto and further in view of Goeller et al. teaches: The payment network of claim 19 wherein the computer-readable program further includes: instructions for receiving, with the communications device, a response from the financial institution indicating approval or denial of the debit transaction; and instructions for transmitting, with the communications device, an authorization code to the merchant indicating approval or denial of the financial transaction in accordance with the response received from the financial institution (**see rejection for claim 2**).

As to claim 21, Chen et al in view of Pinizzotto and further in view of Goeller et al. teaches: The payment network of claim 20 wherein the computer-readable program further includes: instructions for performing, with the processor, a risk analysis of the financial transaction; and instructions for determining, with the processor, whether to provide a guarantee of the financial transaction to the merchant based on the risk analysis, wherein the authorization code further reflects whether the guarantee is provided **(see rejection for claim 3)**.

As to claim 22, Chen et al in view of Pinizzotto and further in view of Goeller et al. teaches: The payment network of claim 19 wherein: the communications system is coupled with an automated clearing house ("ACH") network; and the instructions for transmitting the second information packet to the financial institution comprise instructions for transmitting the second information packet over the ACH network **(see rejection for claim 6)**.

8. Claims 7 and 23 are rejected under 35 U.S.C. 103(a) as being unpatentable over Chen et al. (US 5,590,197) in view of Pinizzotto (US 2003/0191715) and further in view of Kazaks et al. (US 2002/0046341).

As to claim 7, Chen et al. in view of Pinizzotto teaches: the method of carrying out a purchase transaction as in claim 1.

What Chen et al. in view of Pinizzotto fails to teach is: the second information packet is transmitted to the financial institution over a debit system.

Kazaks et al. teaches: the second information packet is transmitted to the financial institution over a debit system (**“The method and system of the invention uses the existing credit card /debit card infrastructure for activation and transactions,” Para [0019] where a debit system would be part of the existing debit card infrastructure**).

It would have thus been obvious to one of ordinary skill in the art to apply the debit system as disclosed in Kazaks et al. to the method of carrying out a purchase transaction in Chen et al. in view of Pinizzotto to achieve the claimed invention. The motivation for the combination would be to utilize a known and accepted medium as the pathway to carrying out a financial transaction.

As to claim 23, Chen et al. in view of Pinizzotto and further in view of Kazaks et al. teaches: The payment network of claim 19 wherein the instructions for transmitting the second information packet to the financial institution comprise instructions for transmitting the second information packet over a debit system (**see rejection for claim 7**).

9. **Claims 9-11, 15, 26-28, and 32 are rejected under 35 U.S.C. 103(a) as being unpatentable over Chen et al. (US 5,590,197) in view of Pinizzotto (US 2003/0191715) and further in view of Brake, Jr. et al. (US 7,072,864).**

As to claim 9, Chen et al. in view of Pinizzotto teaches: The method of carrying out a purchase transaction as in claim 1.

What Chen et al. in view of Pinizzotto fails to teach is: crediting, with the payment network, a loyalty program for the customer in response to execution of the financial transaction.

Brake, Jr. et al. teaches: crediting, with the payment network, a loyalty program for the customer in response to execution of the financial transaction (**"Another enticement of credit card usage is that some credit card issuers offer to their customers "reward points or reward offers" as an incentive to increase the amount of the customer's purchases or to increase the frequency in which the customer transacts purchases with their credit card," col.1 lines 52-57).**

It would have thus been obvious to one of ordinary skill in the art to add the loyalty program as disclosed in Brake, Jr. et al. to the transaction processing in Chen et al. in view of Pinizzotto to achieve the claimed invention. The motivation for the combination would be to encourage customers to use the transaction processing system.

As to claim 10, Chen et al. teaches: A computerized method comprising: receiving, from a merchant, account information that identifies a financial account maintained by a customer at a financial institution and authorization information that allows debit access to the identified financial account (**“In addition, it will be appreciated by those skilled in the art that the cyber wallet can be used for a variety of transactions, including both credit and debit type transactions, although for convenience the term "credit" will be used to describe all such transactions,”** col. 1 lines 17-21 and **“First, the wallet is created by the account servicer or provider under secured conditions, by gathering together all information necessary to carry out credit transactions remotely over the Internet, including browser/mosaic software if necessary, account information, a user PIN number, a user ID, MAC, and any other information which might be needed during the payment and authentication process,”** col.6 lines 12-21); verifying, with the payment network, the account information and authorization information (**“The cyber wallet on which the preferred system and method is based is in the form of any account and/or personal information required to be transmitted to the account servicer in order to verify the account status,”** col.4 lines 63-66); associating an account identifier for a card to the customer account information and authorization information (**“This information is associated with a public key file preferably containing a plurality of public keys associated with a single root key, and key identifiers. The entire wallet is then provided to the customer, in any form which enables the customer to utilize the wallet, for example as a software package for**

use on the customer's portable computer, or on a smart card which can be carried around by the customer and used at kiosks provided with smart card readers,” col.6 lines 12-21).

What Chen et al. fails to teach is: the private label card being a form of payment issued on behalf of one of the merchant and a merchant consortium that includes the merchant and transmitting, from the payment network, an enrollment approval for the customer to the merchant.

Pinizzotto teaches: the private label card being a form of payment issued on behalf of one of the merchant and a merchant consortium that includes the merchant (**“It should be understood that the purchase card can be a credit card, private label card, debit card, gift card or any other card or device which provides the purchaser account identification,”** page 4 paragraph 58 this would also mean the merchant may be acting on behalf of the customer in terms of enrollment).

Brake, Jr. et al. teaches: transmitting, from the payment network, an enrollment approval for the customer to the merchant (**“If the credit bureau is up and running, the system performs the credit check. If the applicant is not approved for the credit card in Block (420), the customer account is transferred by the system and the customer will be offered the primary transaction card in FIG. 3D (510). If the customer is approved, the system is routed to Block (430) and automatically returns a credit line based upon the customer's credit check,”** col. 10 lines 14-21).

It would have thus been obvious to one of ordinary skill in the art to apply the private label card as disclosed in Pinizzotto and the enrollment approval as in Brake Jr.

et al. to the purchase account creation in Chen et al. to achieve the claimed invention. The motivation for the combination would be to focus on customer loyalty using an obvious variant of a debit card and improve disclosure (in this case of enrollment) to the customer.

As to claim 11, Chen et al. in view of Pinizzotto and further in view of Brake, Jr. et al. teaches: The computerized enrollment method of claim 10

Pinizzotto further teaches: verifying the account information and authorization information comprises: transmitting, from the payment network, the account information and authorization information to the financial institution with a request to authenticate the information; receiving, at the payment network, a response from the financial institution authenticating the information (**“The encrypted information can be decrypted only at the processing center. The processing center, with the decrypted information, obtains credit or debit information on the particular customer. Where the customer is using a debit card or check, the information can include bank confirmation that the amounts involved are in the customer's bank account,”** page 2 paragraph 24 **whereas confirmation of the amounts involved would also inherently imply an authentication of data**).

It would have thus been obvious to one of ordinary skill in the art to apply the transmittal of information to the financial institution for authentication as disclosed in Pinizzotto to the financial enrollment method as disclosed to achieve the claimed invention. The motivation for the combination would be to allow interaction between the

processing center and the financial institution so that the burden of authentication may rest with the financial institution holding the funds.

As to claim 15, Chen et al. in view of Pinizzotto and further in view of Brake, Jr. et al. teaches: The computerized enrollment method of claim 10.

Brake, Jr. et al. further teaches: before associating the card number, receiving, from the merchant, a customer private label account identifier for a private label card previously issued to the customer; and wherein associating the card number comprising using the customer private label account identifier for the account identifier (**“In addition to obtaining the primary transaction card, the customer may wish to add the secondary credit card feature. Another option provided to the customer is a card that includes the primary transaction card, the secondary credit card feature and any additional features that the CAM system may offer,” col.5 lines 47-52 whereas the card has a primary transaction account identified in some form but with an option to add another account, in this case a credit account, to the previous primary transaction card account**).

It would have thus been obvious to one of ordinary skill in the art to apply the association of a new account to an old account as disclosed in Brake, Jr. et al. to the financial enrollment method as disclosed to achieve the claimed invention. The motivation for the combination would be to simplify the association of a private label account to a debit card account by utilizing a pre-existing private label account identifier.

As to claim 26, Chen et al. in view of Pinizzotto and further in view of Brake, Jr. et al. teaches: The payment network of claim 19 wherein the computer-readable program further comprises instructions for crediting, with the processor, a loyalty program for the customer in response to execution of the financial transaction **(see rejection for claim 9)**.

As to claim 27, Chen et al. in view of Pinizzotto and further in view of Brake, Jr. et al. teaches: A payment network comprising: a communications device; a processor; a storage device; and a memory coupled with the processor, the memory comprising a computer-readable medium having a computer-readable program embodied therein for directing operation of the payment network, the computer-readable program including: instructions for receiving, from a merchant, account information that identifies a financial account maintained by a customer at a financial institution and authorization information that allows debit access to the identified financial account; instructions for verifying, with the processor, the account information and authorization information; and instructions for associating, with the processor, a card number for a private label card to the customer account information and authorization information, the private label card being a form of payment issued on behalf of one of the merchant and a merchant consortium that includes the merchant; and instructions for transmitting to the merchant, with the communications device, an enrollment approval for the customer **(see rejection for claim 10)**.

As to claim 28, Chen et al. in view of Pinizzotto and further in view of Brake, Jr. et al. teaches: The payment network of claim 27, wherein the instructions for verifying the account information and authorization information comprise: instructions for transmitting, with the communications device, account information and authorization information to the financial institution with a request to authenticate the information; instructions for receiving, with the communications device, a response from the financial institution authenticating the information **(see rejection for claim 11)**.

As to claim 32, Chen et al. in view of Pinizzotto and further in view of Brake, Jr. et al. teaches: The payment network of claim 27, wherein the computer-readable program further comprises: instructions for receiving from the merchant, with the communications device, a customer private label account identifier for a private label card previously issued to the customer; and wherein the instructions for associating the card number comprise instructions for using the customer private label account identifier for the account identifier **(see rejection for claim 15)**.

10. **Claims 12-14, 17, and 29-31 are rejected under 35 U.S.C. 103(a) as being unpatentable over Chen et al. (US 5,590,197) in view of Pinizzotto (US 2003/0191715) in view of Brake, Jr. et al. (US 7,072,864) and further in view of Smith et al. (US 5,777,305).**

As to claim 12, Chen et al. in view of Pinizzotto and further in view of Brake, Jr. et al. teaches: The computerized enrollment method of claim 10.

What Chen et al. in view of Pinizzotto and further in view of Brake, Jr. et al. fails to teach is: before associating the account identifier, receiving, from the merchant, a stock card number; and wherein associating the account identifier comprises using the stock card number for the account identifier.

Smith et al. teaches: before associating the account identifier, receiving, from the merchant, a stock card number; and wherein associating the account identifier comprises using the stock card number for the account identifier (**“The magnetic strip of the package assembly is then passed through a magnetic strip reader at the point of sale in order to decode the identification number. The magnetic strip reader, having previously been programmed to recognize the identification number encoded on the magnetic strip as the identification number that corresponds to a particular prepaid debit card, communicates the decoded prepaid debit card identification number to the host computer. An activation request is also communicated to the host computer. The host computer then retrieves the stored data corresponding to the particular identification number of that debit card, processes the information received from the point of sale, and activates the debit card,”** col.3 lines 60-67 and col. 4 lines 1-6).

It would have thus been obvious to one of ordinary skill in the art to apply the method of keeping a stock card number to be transmitted as the account identifier as disclosed in Smith et al. to the computerized enrollment method in Chen et al. in view of

Pinizzotto and further in view of Brake, Jr. et al. to achieve the claimed invention. The motivation for the combination would be to allow for the debit cards in question to be kept in stock at the merchant's location for convenient enrollment and use by applicants.

As to claim 13, Chen et al. in view of Pinizzotto in view of Brake, Jr. et al. and further in view of Smith et al. teaches: The computerized method of enrollment utilizing a stocked card number as in claim 12.

Smith et al. further teaches: before associating the stock card number, validating, with the payment network, that the stock card number is registered to the merchant (**"The host computer recognizes the received information as an identification number for a prepaid debit card, and immediately searches its database for the corresponding file associated with that identification number. Once located, information for the prepaid debit card having that identification number such as the dollar value of the prepaid debit card, whether the card is active or inactive, and the dollar value of the prepaid debit card remaining will generally be available to the host computer. It should be noted that this list is not inclusive. An unlimited amount of information pertaining to the prepaid debit card's identification number may be stored in the database," col. 7 lines 31-43 where in the case of a private label card as in Chen et al. in view of Pinizzotto merchant identification can be confirmed**).

It would have thus been obvious to one of ordinary skill in the art to apply the step of validating that the stock card number is registered to the merchant as disclosed

in Smith et al. to the computerized enrollment method in Chen et al. in view of Pinizzotto further in view of Brake, Jr. et al. and yet further in view of Smith et al. to achieve the claimed invention. The motivation for the combination would be to ensure that a private label card is associated with the correct merchant.

As to claim 14, Chen et al. in view of Pinizzotto in view of Brake, Jr. et al. and further in view of Smith et al. teaches: The computerized method of enrollment utilizing a stocked card number as in claim 12.

Smith et al. further teaches: before associating the stock card number, verifying, with the payment network, the stock card number has not been previously associated with a different customer account identifier (**"The host computer recognizes the received information as an identification number for a prepaid debit card, and immediately searches its database for the corresponding file associated with that identification number. Once located, information for the prepaid debit card having that identification number such as the dollar value of the prepaid debit card, whether the card is active or inactive, and the dollar value of the prepaid debit card remaining will generally be available to the host computer. It should be noted that this list is not inclusive. An unlimited amount of information pertaining to the prepaid debit card's identification number may be stored in the database,"** col. 7 lines 31-43 where determination whether the number is active or inactive will check whether the number has not been previously associated with a different customer).

It would have thus been obvious to one of ordinary skill in the art to apply the step of validating that the stock card number is has not been activated for a different customer as disclosed in Smith et al. to the computerized enrollment method in Chen et al. in view of Pinizzotto further in view of Brake, Jr. et al. and yet further in view of Smith et al. to achieve the claimed invention. The motivation for the combination would be to ensure that a private label card number is not associated with two different customers.

As to claim 17, Chen et al. in view of Pinizzotto and further in view of Brake, Jr. et al. teaches: the computerized enrollment method described in claim 10.

What Chen et al. in view of Pinizzotto and further in view of Brake, Jr. et al. fails to teach is: receiving account information from the merchant comprises receiving information read, using a magnetic stripe reader, from an instrument presented by the customer.

Smith et al. teaches: receiving account information from the merchant comprises receiving information read, using a magnetic stripe reader, from an instrument presented by the customer (**“The magnetic strip of the package assembly is then passed through a magnetic strip reader at the point of sale in order to decode the identification number. The magnetic strip reader, having previously been programmed to recognize the identification number encoded on the magnetic strip as the identification number that corresponds to a particular prepaid debit card, communicates the decoded prepaid debit card identification number to the host computer. An activation request is also communicated to the host computer.**

The host computer then retrieves the stored data corresponding to the particular identification number of that debit card, processes the information received from the point of sale, and activates the debit card,” col.3 lines 60-67 and col. 4 lines 1-6).

It would have thus been obvious to one of ordinary skill in the art to apply the method of obtaining customer information from a magnetic strip as disclosed in Smith et al. to the enrollment method in Chen et al. in view of Pinizzotto and further in view of Brake, Jr. et al. to achieve the claimed invention. The motivation for the combination would be to increase ease of obtaining customer information through a well-known method.

As to claim 29, Chen et al. in view of Pinizzotto in view of Brake, Jr. et al. and further in view of Smith et al. teaches: The payment network of claim 27, wherein the computer-readable program further comprises: instructions for receiving from the merchant, with the communications device, a stock card number; and wherein the instructions for associating the card number comprise instructions for using the stock card number for the account identifier **(see rejection for claim 12)**.

As to claim 30, Chen et al. in view of Pinizzotto in view of Brake, Jr. et al. and further in view of Smith et al. teaches: The payment network of claim 29, wherein the computer-readable program further comprises instructions for validating, with the

processor, the stock card number is registered to the merchant **(see rejection for claim 13).**

As to claim 31, Chen et al. in view of Pinizzotto in view of Brake, Jr. et al. and further in view of Smith et al. teaches: The payment network of claim 29, wherein the computer-readable program further comprises instructions for verifying, with the processor, the stock card number has not been previously associated with a different customer **(see rejection for claim 14).**

11. Claims 16 is rejected under 35 U.S.C. 103(a) as being unpatentable over Chen et al. (US 5,590,197) in view of Pinizzotto (US 2003/0191715) in view of Brake, Jr. et al. (US 7,072,864) and further in view of Kazaks et al. (US 2002/0046341).

As to claim 16, Chen et al. in view of Pinizzotto and further in view of Brake, Jr. et al. teaches: The computerized enrollment method of claim 10.

What Chen et al. in view of Pinizzotto and further in view of Brake, Jr. et al. fails to teach is: associating the card number comprises generating, with the payment network, a unique card number for the private label card.

Kazaks et al. teaches: associating the card number comprises generating, with the payment network, a unique card number for the private label card **(“When the**

purchaser enters anonymous or pseudonymous data, or otherwise triggers card activation and account authorization, the method and system of the invention create a fraud detection rule compliant pseudonymous identity for the anonymous or pseudonymous prepaid payment card. Associating street numbers to a set of index numbers does this; generating a random number, and matching the random number to a street number index number to recover a street number. To get a street name, the method and system associate street names to a set of index numbers, generate a random number, and match the random number to a street name index number to recover a street name. A similar method is used to generate a city/state/ZIP code set, where the method and system associate city/state/ZIP code sets to a set of index numbers, generate a random number, and match the random number to a city/state/ZIP code index number to recover a city/state/ZIP code. A similar method is used to generate an anonymous or pseudonymous phone number. The method and system described herein combine the recovered street number, street, city/state/ZIP code set and telephone number to generate a pseudonymous or anonymous cardholder identity” Para [0015]).

It would have thus been obvious to one of ordinary skill in the art to apply the method of generating a number as disclosed in Kazaks to the computerized enrollment method in Chen et al. in view of Pinizzotto and further in view of Brake, Jr. et al. to achieve the claimed invention. The motivation for the combination would be to be able to create new private label account identifiers for new customers.

12. Claim 18 is rejected under 35 U.S.C. 103(a) as being unpatentable over Chen et al. (US 5,590,197) in view of Pinizzotto (US 2003/0191715) in view of Brake, Jr. et al. (US 7,072,864) and further in view of Goeller et al. (US 2002/0178112).

As to claim 18, Chen et al. in view of Pinizzotto and further in view of Brake, Jr. et al. teaches: the computerized enrollment method of claim 10.

What Chen et al. in view of Pinizzotto and further in view of Brake, Jr. et al. fails to teach is: receiving account information from the merchant comprises receiving information read, using a MICR reader, from a MICR line, of a check presented by the customer.

Goeller et al. teaches: receiving account information from the merchant comprises receiving information read, using a MICR reader, from a MICR line, of a check presented by the customer (**"A merchant enters the amount of the sale and electronically captures checking account data from the MICR line encoded on the check. The check data, identification data and sale amount are forwarded to a service organization for processing," Abstract**)

It would have thus been obvious to one of ordinary skill in the art to apply the method of using a MICR reader as disclosed in Goeller et al. to the enrollment method in Chen et al. in view of Pinizzotto and further in view of Brake, Jr. et al. to achieve the

claimed invention. The motivation for the combination would be to easily acquire account information using a widely used and accepted method.

13. Claim 33 is rejected under 35 U.S.C. 103(a) as being unpatentable over Chen et al. (US 5,590,197) in view of Pinizzotto (US 2003/0191715) and in view of Brake, Jr. et al. (US 7,072,864) in view of Smith et al. (US 5,777,305) and further in view of Kazaks et al. (US 2002/0046341).

As to claim 33, Chen et al. in view of Pinizzotto in view of Brake, Jr. et al. in view of Smith et al. and further in view of Kazaks et al. teaches: The payment network of claim 29, wherein the computer-readable program further includes instructions for generating, with the processor, a unique card number for the private label card **(see rejection for claim 16 and 29).**

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to JULIUS J. CHUNG whose telephone number is (571)270-1530. The examiner can normally be reached on 7:30 AM-5:00 PM Mon-Fri, Alt. Fri. Eastern Time.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Thu Nguyen can be reached on (571)272-6967. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/Julius J Chung/
Examiner, Art Unit 4182

January 2, 2008

/Thu Nguyen/
Supervisory Patent Examiner, Art Unit 4182